

RockCreek

AFTERNOON

MARKET UPDATE

GLOBAL MARKET SNAPSHOT

Equity Markets:

Global equities were broadly weaker on Wednesday as the U.S. Senate unanimously passed a bill supporting protesters in Hong Kong, which was not well received by China and adds another hurdle to an already contentious trade negotiation. Reuters reported later in the day that an agreement may not be struck until the new year. The standout today was Argentina where all assets rallied following a call between president-elect Alberto Fernandez and IMF chief Kristalina Georgieva during which the incoming president indicated the country will continue to comply with IMF obligations and that he has a sustainable plan to tackle the nation's debt problem. In the U.S., energy +1.0% outperformed as oil rebounded on more upbeat inventory data. Retail regained some ground as the earnings reports from Target +14.1% and Lowe's +3.9% contrasted sharply with those of retailers reporting yesterday.

Developed	1-Day Return	MTD Return	YTD Return	Emerging	1-Day Return	MTD Return	YTD Return
DJIA	-0.4%	3.1%	21.9%	Mexico IPC	0.0%	1.0%	7.5%
S&P 500	-0.4%	2.5%	26.2%	Bovespa	0.0%	-1.3%	20.5%
Nasdaq	-0.5%	3.0%	29.8%	Chile IPSA	-0.1%	0.9%	-6.3%
Russell 2000	-0.4%	2.0%	19.4%	Colombia IGBC	0.0%	0.1%	23.4%
EuroStoxx 50	-0.3%	2.3%	27.1%	Warsaw WIG	-0.7%	0.4%	0.6%
DAX	-0.5%	2.3%	24.6%	MICEX	-0.2%	1.5%	32.3%
CAC	-0.3%	2.9%	28.5%	JSE Africa	-0.1%	1.7%	12.4%
FTSE 100	-0.8%	0.5%	12.6%	Borsa Istanbul	-0.7%	8.6%	21.5%
FTSE MIB	0.1%	3.1%	32.9%	Hang Seng	-0.8%	0.0%	7.7%
IBEX	-0.4%	-0.2%	12.0%	Shanghai Comp	-0.8%	-0.6%	19.6%
PSI (Portugal)	-0.8%	2.0%	15.2%	KOSPI	-1.3%	2.0%	4.8%
ASE	-0.3%	1.0%	48.0%	Sensex	0.4%	1.3%	14.0%
Nikkei	-0.6%	1.0%	18.0%	Jakarta Comp	0.0%	-1.2%	1.7%
ASX 300	-1.3%	1.5%	25.6%	Thai SET	-0.6%	-0.2%	5.1%

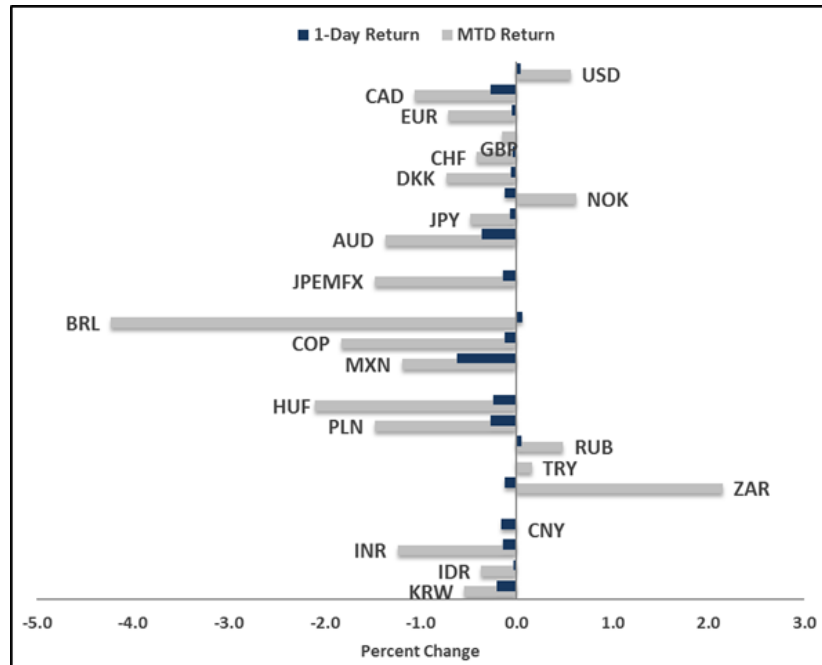
Bond Markets:

Treasuries strengthened as risk appetite remained tepid on Wednesday. The FOMC minutes did little to move the bond market, largely confirming what we already knew – the FOMC is done cutting rates for now with most officials seeing rates as “well calibrated” following the October cut. The committee does see the case for acting if there is material change to the economic outlook, with that likely to be a cut given the “downside risks to the forecasts for the economy”.

Bond	Yield (%)	Δ 1-Day (bps)	Δ MTD (bps)	Δ YTD (bps)
UST 2yr	1.58	↓ -2	↑ 5	↓ -91
UST 5yr	1.59	↓ -3	↑ 7	↓ -92
UST 10yr	1.74	↓ -4	↑ 5	↓ -94
UST 30yr	2.21	↓ -4	↑ 3	↓ -81
UK 10 yr	0.73	→ 0	↑ 10	↓ -55
GER 10 yr	-0.35	↓ -1	↑ 6	↓ -59
FRF 10yr	-0.04	↓ -1	↑ 6	↓ -74
ITL 10yr	1.20	↓ -4	↑ 28	↓ -154
ESP 10yr	0.42	→ 0	↑ 19	↓ -99
PTE 10yr	0.38	↑ 2	↑ 22	↓ -133
JPY 10yr	-0.11	→ 0	↑ 3	↓ -11

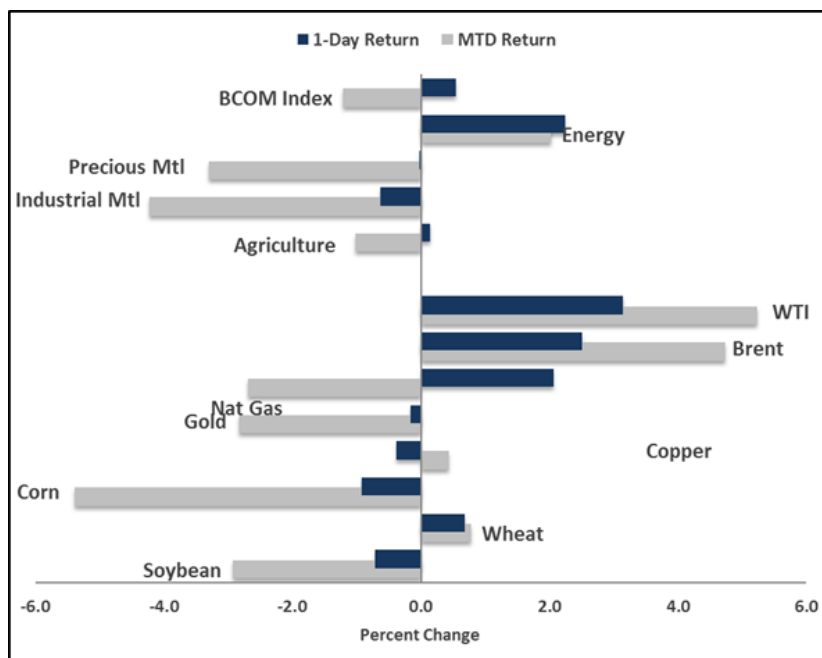
Currency Markets:

The U.S. dollar index was effectively unchanged with modest moves seen against G10 crosses. Mexican peso was -0.6% the notable loser as Chilean unrest (CLP -1.0%) continues to infect the rest of the region and possible snags in the US-Mexico-Canada Agreement come to light. U.S. organized labor is pushing back on Mexican reforms labor standards required by the deal, threatening the bill's passage in the Democrat-controlled House.



Commodity Markets:

The Bloomberg Commodity Index was +0.5%. Oil prices rebounded as official inventory data painted a more upbeat picture. The headline inventory build came in at 1.379 million barrels as compared to yesterday's API report that projected 5.954 million barrels. Additional datapoints supporting prices was daily exports of petroleum products breaching 3 million barrels and refinery capacity utilization exceeding 90%.



MACRO OVERVIEW

There were no notable macroeconomic releases on Wednesday.

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